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National Academy of Public Administration
Study of Intelligence Community Personnel Systems

ORGANIZATIONAL ALTERNATIVES

I. The Problem

The Congressional intelligence committees, primarily the House Committee (HPSCI), do not believe that legislative proposals on personnel and compensation matters are sufficiently analyzed before being presented to the Congress. They believe such proposals should be examined in terms of their comparative impact or usefulness for other intelligence agencies and in terms of how they relate to general civil service policies.

Additionally, the NAPA panel has recommended improved coordination of personnel policies and practices in a number of areas within the intelligence community .

II. Background

The depth of concern on this is reflected in the fact that this NAPA study was originally proposed by the HPSCI as the Commission on Intelligence Personnel Systems with one member appointed by the president, another by the speaker of the House, and a third by the majority leader of the Senate. "The House felt the Commission was necessary to provide a comprehensive review of current programs; assess the need for changes, especially those required by the unique circumstances of intelligence activities; and to present recommendations to the Congress after considering the potential inequities the proposed changes would create either among intelligence agencies or between the intelligence community and the federal Civil Service."

The project staff sense that House Committee staff have difficulty defending individual proposals to committee members and occasionally to the House Post Office and Civil Service Committee because personnel and compensation matters are treated as ad hoc assignments. Thus, no one on the staff develops expert knowledge on these subjects. In the case of the Senate Committee, it initiated a major review of IC personnel management by borrowing staff from GAO but then the Iran Contra affair interfered and the committee never completed its work as staff were fully committed to that crisis.

A more recent reflection of the House Committee frustration in dealing with personnel and compensation proposals was contained in their comments on the fiscal year 1989 authorization for the National Foreign Intelligence Program (NFIP). The Committee expressed great concern that CIA personnel management and compensation systems could create inequities between CIA personnel

and those in other intelligence agencies as well as with the federal Civil Service. The Committee maintains that these inequities should be avoided except where unique circumstances of intelligence activities warrant such action, and that the DCI should not implement such changes without fully evaluating the need for similar reforms in other intelligence agencies or at least assessing the impact such changes would have on other agencies.

In its September 1 interim report, the NAPA panel recommended that the intelligence agencies seek ways to increase coordination of entry level recruitment. The Panel also recommended that a Committee on Training and Career Development be established to permit greater information sharing and exchange of views in this area.

Staff recommendations on issues to be considered at the September 30 Panel meeting include sharing risk assessment information on staff to be removed and sharing information on pending staff reductions to determine if individuals have skills needed by another organization in the Community. There is also a recommendation for IC monitoring of intelligence agency equal employment opportunity reports and greater sharing of successful techniques used to improve agency equal employment opportunity. In the compensation area, there is a staff recommendation for greater IC coordination in developing changes in compensation systems.

III. NAPA Staff Conclusions

The concerns of the HPSCI over the lack of coordination within the IC on personnel and compensation policies needs to be addressed by the panel. In addition to measuring their concern in terms of the presidential commission proposal or the fact that they authorized the half million dollars for this year long study, the project staff have been told directly by the HPSCI staff that they want the DCI to take charge on these personnel and compensation policies.

The panel could consider a position of:

- a) admonishing the individual agencies to do "comparative analysis" before they submit legislative proposals, and
- b) advising the Committees to staff up to handle these proposals because the individual agencies are so different in their organizational settings and legislative authorities.

But the issue has moved beyond that "status quo" posture and even the Study Steering Group members that we've worked with in coordinating this study seems to recognize that. They reflect, in addition, the concern that the intelligence committees' frustration results in an oversight role which is characterized as

"micromanagement" of their operations. The project staff did not attempt to confirm this trend towards more micromanagement by the committees but the panel also heard this accusation at their first meeting with the IC agency executives.

It appears that any improved coordination and accountability role must be defined for the IC. That's what the HPSCI wants and that's what the exercise of flexible authority requires. Such a role, when performed properly, would assure:

- a.) Equitable treatment for employees in similar work or similar environments.
- b.) Community-wide implications of major non-statutory personnel policy initiatives by individual agencies have been considered.
- c.) Appropriate reporting and staff work to congressional committees on significant use of flexible authorities.
- d.) Coordination among the community agencies before legislative requests on personnel are submitted to the intelligence committees.

IV. Organizational Options for Panel Consideration

We examined the pros and cons for each of three options for the assignment of the IC coordination/accountability role on personnel and compensation policy.

A. Senior Policy Management Group

This is an existing coordinating mechanism, chaired by the DCI, composed of senior executives of each agency. This group could consider major personnel issues potentially affecting two or more IC agencies. For this role, the SPMG could be supported by a small staff element in the Community staff. This option has two key components. First, the SPMG would define the types of personnel issues it would consider. These should include: proposed personnel legislation; changes in employee benefits and compensation schedules within existing authorities; major new personnel programs; and regular reports on the use of flexible personnel authorities authorized by Congress. Second, each agency would determine whether or not there would be a personnel impact created in the agency, or whether the proposal creates a need for legislative change for the agency. These comments would be part of any submission on the proposal to Congress.

Pros

- 1) Is least threatening to the individual agencies in terms of potential interference or impairing their independence.

- 2) Depending on how strong the SPMG is in this role, gives committee increased confidence that comparative analysis of personnel issues is being performed and possible inequities considered.
- 3) A mechanism for improved coordination of personnel programs as recommended by the panel.

Cons

- 1) Committee are usually unable to resolve conflicting views. It can only report the different policy positions to the congressional committees.
- 2) Committee process inherently involves more delay.

B. Director of Central Intelligence (DCI)

DCI would be assigned responsibility to review all major personnel changes and legislative requests and determine whether there are any community-wide implications in terms of inequities created for staff or management problems created for other agencies. The DCI would also monitor the use of the flexible authorities granted the IC agencies by the Congress. The DCI would be provided the necessary authority to stop action on any personnel matter deemed inappropriate and to call for corrective action where it was determined flexible authorities were used inappropriately. The DCI would be supported by a small staff element in the community staff.

Pros

- 1) More expeditious coordination and more clearly defined accountability.
- 2) Greater assurance that decisions on conflicting views will be made.
- 3) A mechanism for improved coordination in personnel programs as recommended by the panel.

Cons

- 1) Difficult for agencies to view DCI as impartial given his directorship of CIA.
- 2) Could place the DCI in difficult role re other power centers -- SecDef and AG.

C. Director of Personnel for the Intelligence Community (DoP/IC).

This position would be established, reporting to the DCI, and would perform the role ascribed to the DCI in Option B and issue policy on personnel and compensation matters for NSA, CIA, and DIA. It would also coordinate personnel policy affecting the FBI counter-intelligence function and the civilians in the military departments. Under this option, the DCI director of personnel would establish basic personnel IC personnel policies and oversee their implementation. This option would require more staff than assumed in the Option B.

Pros

- 1) Would establish clear responsibility to ensure that IC agency personnel policies and programs are equitable and do not create competition between the IC agencies for needed skills.
- 2) Would provide greatest assurance to congressional committees of uniform and equitable personnel programs and that individual agencies will not be seeking new personnel authorities one after the other.
- 3) Provides a mechanism for improved coordination of personnel programs as recommended by the panel.

Cons

- 1) Most IC agencies are, in varying degrees, part of larger organizations with different cultures, authorizing committee jurisdictions and missions. This option may not work in such a setting.
- 2) This Community staff function could become heavy handed and thwart agency innovation, as OPM has tended to do for the rest of the government.

Staff recommends Option A as the one that best balances the concerns of the Committees with the organizational realities of the agencies making up the community.